

Ohio House of Representatives
Families, Aging & Human Services
House Bill 145
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Chairman Manchester, Vice Chair Cutrona, Ranking Member West and members of the committee, I am Chris Burns, Marketing and Education Manager for Encore Technologies which is based in Cincinnati, Ohio. I am representing [ReadyNation](#) which is a group of over 3,000 business executives building a skilled workforce by promoting solutions that prepare children to succeed. Thank you for the opportunity to provide written testimony on House Bill 145, which would expand initial child care eligibility from 130% of the Federal Poverty Level to 200% of the Federal Poverty Level.

This testimony serves to present the business case for supporting House Bill 145.

Ohio has a child care crisis. Ohio's working parents know how difficult it is to find child care that's accessible, affordable, and high-quality. This problem is particularly acute for parents of very young children, as infant and toddler care is typically the least available and most expensive. Yet children under age three are experiencing one of the most crucial periods of brain development.

[ReadyNation commissioned a national survey](#) of 812 working parents of children under age three. The survey shows how parent's work commitments, performance, and opportunities are diminished by problems with child care.

- 86 percent of parents stated child care impacted their work.
- Employers lost almost \$13 billion annually due to child care challenges faced by their workforce.
- Two-thirds of Ohio parents report having difficulty finding affordable, quality child care. This study was done before COVID-19 no doubt those numbers are much higher today.

The costs of insufficient child care are great. Lack of adequate child care annually costs:

- Families \$3,350 per working parent.
- Businesses \$1,150 per working parent in reduced revenue and extra hiring costs.
- Taxpayers \$640 per working parent in lower income tax and sales tax revenue.
- The lack of reliable child care for working parents of young children up to age two costs Ohio \$1.7 billion per year.

The current child care system does not meet the needs of Ohio families or employers. We are concerned with affordability, access and quality.

- **Affordability:** Ohio is one of the most difficult states in the nation to qualify for child care assistance, requiring that parents earn less than 130 percent of the federal poverty level. As you heard, the proposed state budget increases this to 138%, yet other states allow families to earn up to 200 or even 300 % FPL and still qualify for assistance. Ohio should commit to 200 percent of the federal poverty level to be able to compete with other states for a qualified workforce.
- **Access:** Two-thirds of Ohio parents surveyed said finding affordable quality child care is a problem in their area. This is even more significant for infant care.
- **Quality:** Ohio has successfully implemented the Step Up to Quality rating system. This is supported by business leaders to improve the quality of child care in Ohio. Early childhood development and brain science instruct us to invest in trained educators, lower teacher to child ratios, quality curriculum and assessments, and parent engagement.

The simple fact is that, from a business leader's perspective, Ohio needs to do whatever it takes to increase access to quality child care services for working families. This is about growing the workforce of today and ensuring a strong workforce of tomorrow. House Bill 145 addresses the need to increase the states investment in our working families and the future of our children. The business community is counting on your support to address this crisis.